

FINAL BILL REPORT

HB 1119

C 151 L 97

Synopsis as Enacted

Brief Description: Extending the expiration date of an act requiring the purchaser of privately owned timber to report to the department of revenue.

Sponsors: Representatives Schoesler, Sheldon, Buck, Hatfield, Johnson, Kessler and Boldt.

House Committee on Finance
Senate Committee on Ways & Means

Background: Timber owners pay a 5 percent timber excise tax on the value of their timber when they cut it. The tax is based on timber stumpage values. Stumpage is the value of timber as it stands uncut in the woods. The Department of Revenue is required to establish timber stumpage values semi-annually. Until the early 1990's, the department used publicly owned timber sales as comparable sales for computing stumpage values. Since that time, the number of public sales has declined significantly.

Purchasers of more than 200,000 board feet of privately owned timber are required to report transaction details to the Department of Revenue. Purchasers of privately owned timber who fail to report may be liable for a penalty of \$250 for each failure to report. The requirement to report timber purchase details expires March 1, 1997.

Summary: The expiration date on private timber sale reporting to the Department of Revenue is extended to July 1, 2000.

Votes on Final Passage:

House 95 0

Senate 44 0

Effective: April 23, 1997